

CORRECTIONS STANDARDS AUTHORITY**600 Bercut Drive**

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www.cdcr.ca.gov/DivisionsBoards/CSA**MIOCR POLICY BULLETIN
Number 2007-03**

To: Project Directors and Financial Officers
Mentally Ill Offender Crime Reduction (MIOCR) Grant Program

From: Lynda Frost and Helene Zentner

Date: March 26, 2007

Re: MIOCR Grant Program Purchase – Purchase of Fixed Assets Policy (clarified)

The policy of the Corrections Standards Authority (CSA) regarding the purchase of fixed assets with state grant funds has remained constant over the various grant programs administered by our agency. As outlined in the MIOCR Grant Administration Guide (Fixed Assets, page 7), that policy prohibits the use of state grant funds for fixed assets exceeding \$1,000 per item **without prior approval** from the CSA. However, grantees are not limited in the amount of local match funds that may be expended on fixed assets and do not need CSA approval for these expenditures. The purpose of this Policy Bulletin is to provide clarification on this issue.

First, as outlined in the Grant Administration Guide, fixed assets are defined as “vehicles and equipment needed to implement and/or operate the project (e.g., computers and other office equipment, including furniture).” For fixed assets exceeding \$1,000 per item, the Project Director must submit a written declaration that the item to be purchased with state grant funds is: 1) to be used for services directly associated with the project, 2) essential to the success of the project, and 3) less expensive than leasing or renting the vehicle or equipment for the grant period based on a thorough investigation of options. CSA staff will respond, in writing, to this declaration and approve or deny the request based on the information provided by the Project Director.

Second, although the CSA gives MIOCR grantees latitude in terms of which budget line items to put funds, the policy regarding prior approval is applicable to any purchase of fixed assets exceeding \$1,000 per item – regardless of which line item will be used for the expenditure. For example, if grantees put funds for office furniture into the Services and Supplies line item rather than the Fixed Assets line item, grantees must still obtain prior approval from the CSA before using state grant funds to purchase any item exceeding \$1,000.

Please retain a copy of this policy in your official project file. If you have any questions about this policy, please do not hesitate to contact us.